



HEALTH ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2009  
OF THE CONDITION AND AFFAIRS OF THE  
Aetna Health Inc. (a Michigan corporation)

NAIC Group Code ..... 0001 0001 NAIC Company Code ..... 95756 Employer's ID Number ..... 23-2861565  
(Current Period) (Prior Period)  
Organized under the Laws of Michigan State of Domicile or Port of Entry ..... Michigan  
Country of Domicile ..... United States  
Licensed as business type: Life, Accident & Health [ ] Property/Casualty [ ] Hospital, Medical & Dental Service or Indemnity [ ]  
Dental Service Corporation [ ] Vision Service Corporation [ ] Health Maintenance Organization [X]  
Other [ ] Is HMO Federally Qualified? Yes [ ] No [X]  
Incorporated/Organized ..... September 10, 1996 Commenced Business ..... April 1, 1998  
Statutory Home Office ..... 28588 Northwestern Highway ..... Southfield ..... MI..... 48034  
(Street and Number) (City, State and Zip Code)  
Main Administrative Office ..... 28588 Northwestern Highway  
(Street and Number)  
..... Southfield .. MI .. 48034 ..... 248-357-7766  
(City, State and Zip Code) (Area Code) (Telephone Number)  
Mail Address ..... 28588 Northwestern Highway ..... Southfield ..... MI..... 48034  
(Street and Number or P. O. Box) (City, State and Zip Code)  
Primary Location of Books and Records ..... 980 Jolly Road  
(Street and Number)  
..... Blue Bell ..... PA .... 19422-1904 ..... 800-872-3862  
(City, State and Zip Code) (Area Code) (Telephone Number)  
Internet Website Address ..... www.aetna.com  
Statutory Statement Contact ..... Jennifer Anne Palma ..... 215-775-6508  
(Name) (Area Code) (Telephone Number) (Extension)  
..... Aetna.HMOReporting@aetna.com ..... 215-775-6790  
(E-mail Address) (Fax Number)

OFFICERS

Allan Ira Greenberg, President OTHER Burton Fred Vanderlaan, M.D., Senior Medical Director  
Edward Chung-I Lee, Vice President and Secretary Elaine Rose Cofrancesco, Treasurer  
Alicia Helene Bolton, Principal Financial Officer and Controller Gregory Stephen Martino, Vice President  
Kevin James Casey, Senior Investment Officer  
David William Braun, Assistant Controller

DIRECTORS OR TRUSTEES  
Allan Ira Greenberg Gregory Stephen Martino Burton Fred Vanderlaan, M.D.

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)  
Allan Ira Greenberg  
President

State of..... Illinois  
County of..... Cook  
Subscribed and sworn to before me this  
day of 2010

NOTARY PUBLIC (Seal)

(Signature)  
Edward Chung-I Lee  
Vice President and Secretary@

State of..... Connecticut  
County of..... Hartford  
@Subscribed and sworn to before me this  
day of 2010

NOTARY PUBLIC (Seal)

(Signature)  
Alicia Helene Bolton  
Principal Financial Officer and Controller@@

State of..... Pennsylvania  
County of..... Montgomery  
@@Subscribed and sworn to before me this  
day of February 2010

NOTARY PUBLIC (Seal)

- a. Is this an original filing? Yes [X] No [ ]  
b. If no: 1. State the amendment number...  
2. Date filed .....  
3. Number of pages attached .....

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	1,097,147	0	1,097,147	1,096,446
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....25,014, Sch. E-Part 1), cash equivalents (\$.....1,457,876, Sch. E-Part 2) and short-term investments (\$.....1,057,417, Sch. DA).....	2,540,307	0	2,540,307	2,722,863
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Other invested assets (Schedule BA).....	0	0	0	0
8. Receivables for securities.....	0	0	0	0
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	3,637,454	0	3,637,454	3,819,309
11. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
12. Investment income due and accrued.....	17,658	0	17,658	17,666
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection.....	0	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	0	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	0	0	0	0
14.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
14.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
15. Amounts receivable relating to uninsured plans.....	0	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	13,873
16.2 Net deferred tax asset.....	1,138	0	1,138	0
17. Guaranty funds receivable or on deposit.....	0	0	0	0
18. Electronic data processing equipment and software.....	0	0	0	0
19. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates.....	57,290	0	57,290	0
22. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
23. Aggregate write-ins for other than invested assets.....	0	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	3,713,540	0	3,713,540	3,850,848
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
26. TOTALS (Lines 24 and 25).....	3,713,540	0	3,713,540	3,850,848
DETAILS OF WRITE-INS				
0901. ....	0	0	0	0
0902. ....	0	0	0	0
0903. ....	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0
2301. ....	0	0	0	0
2302. ....	0	0	0	0
2303. ....	0	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0	0	0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	2,495	77	2,572	8,400
2. Accrued medical incentive pool and bonus amounts.....	0	0	0	0
3. Unpaid claims adjustment expenses.....	67	0	67	192
4. Aggregate health policy reserves.....	0	0	0	0
5. Aggregate life policy reserves.....	0	0	0	0
6. Property/casualty unearned premium reserve.....	0	0	0	0
7. Aggregate health claim reserves.....	35	0	35	163
8. Premiums received in advance.....	0	0	0	0
9. General expenses due or accrued.....	1,801	0	1,801	15,951
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....	1,488	0	1,488	0
10.2 Net deferred tax liability.....	0	0	0	5,583
11. Ceded reinsurance premiums payable.....	0	0	0	0
12. Amounts withheld or retained for the account of others.....	0	0	0	0
13. Remittances and items not allocated.....	0	0	0	26,876
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates.....	0	0	0	131,883
16. Payable for securities.....	0	0	0	0
17. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers).....	0	0	0	0
18. Reinsurance in unauthorized companies.....	0	0	0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0	0	0
20. Liability for amounts held under uninsured plans.....	0	0	0	0
21. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
22. Total liabilities (Lines 1 to 21).....	5,886	77	5,963	189,048
23. Aggregate write-ins for special surplus funds.....	XXX	XXX	2	0
24. Common capital stock.....	XXX	XXX	10	10
25. Preferred capital stock.....	XXX	XXX	0	0
26. Gross paid in and contributed surplus.....	XXX	XXX	8,599,990	8,599,990
27. Surplus notes.....	XXX	XXX	0	0
28. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
29. Unassigned funds (surplus).....	XXX	XXX	(4,892,425)	(4,938,200)
30. Less treasury stock at cost:				
30.1 .....0.000 shares common (value included in Line 24 \$.....0).....	XXX	XXX	0	0
30.2 .....0.000 shares preferred (value included in Line 25 \$.....0).....	XXX	XXX	0	0
31. Total capital and surplus (Lines 23 to 29 minus Line 30).....	XXX	XXX	3,707,577	3,661,800
32. Total liabilities, capital and surplus (Lines 22 and 31).....	XXX	XXX	3,713,540	3,850,848

DETAILS OF WRITE-INS

2101. ....	0	0	0	0
2102. ....	0	0	0	0
2103. ....	0	0	0	0
2198. Summary of remaining write-ins for Line 21 from overflow page.....	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above).....	0	0	0	0
2301. Additional Deferred Tax Asset Admitted Amount.....	XXX	XXX	2	0
2302. ....	XXX	XXX	0	0
2303. ....	XXX	XXX	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page.....	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	XXX	XXX	2	0
2801. ....	XXX	XXX	0	0
2802. ....	XXX	XXX	0	0
2803. ....	XXX	XXX	0	0
2898. Summary of remaining write-ins for Line 28 from overflow page.....	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above).....	XXX	XXX	0	0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX.....	.....0	.....3
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	.....(5,881)	.....(19,898)
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....	.....0	.....0
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....	.....0	.....0
5. Risk revenue.....	XXX.....	.....0	.....0
6. Aggregate write-ins for other health care related revenues.....	XXX.....	.....0	.....0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	.....0	.....0
8. Total revenues (Lines 2 to 7).....	XXX.....	.....(5,881)	.....(19,898)
Hospital and Medical:			
9. Hospital/medical benefits.....	.....0	.....(27,328)	.....(76,922)
10. Other professional services.....	.....0	.....0	.....0
11. Outside referrals.....	.....0	.....0	.....50
12. Emergency room and out-of-area.....	.....0	.....(642)	.....2,922
13. Prescription drugs.....	.....0	.....(103)	.....(9,820)
14. Aggregate write-ins for other hospital and medical.....	.....0	.....0	.....0
15. Incentive pool, withhold adjustments and bonus amounts.....	.....0	.....0	.....0
16. Subtotal (Lines 9 to 15).....	.....0	.....(28,073)	.....(83,770)
Less:			
17. Net reinsurance recoveries.....	.....0	.....0	.....0
18. Total hospital and medical (Lines 16 minus 17).....	.....0	.....(28,073)	.....(83,770)
19. Non-health claims (net).....	.....0	.....0	.....0
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....	.....0	.....0	.....0
21. General administrative expenses.....	.....0	.....11,777	.....56,239
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....	.....0	.....0	.....(30,040)
23. Total underwriting deductions (Lines 18 through 22).....	.....0	.....(16,296)	.....(57,571)
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	.....10,415	.....37,673
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	.....0	.....56,352	.....230,179
26. Net realized capital gains or (losses) less capital gains tax of \$....(3).....	.....0	.....(13)	.....19
27. Net investment gains or (losses) (Lines 25 plus 26).....	.....0	.....56,339	.....230,198
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....	.....0	.....0	.....0
29. Aggregate write-ins for other income or expenses.....	.....0	.....0	.....0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	.....66,754	.....267,871
31. Federal and foreign income taxes incurred.....	XXX.....	.....27,698	.....4,677
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	.....39,056	.....263,194

DETAILS OF WRITE-INS			
0601. ....	XXX.....	.....0	.....0
0602. ....	XXX.....	.....0	.....0
0603. ....	XXX.....	.....0	.....0
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	.....0	.....0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX.....	.....0	.....0
0701. ....	XXX.....	.....0	.....0
0702. ....	XXX.....	.....0	.....0
0703. ....	XXX.....	.....0	.....0
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	.....0	.....0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX.....	.....0	.....0
1401. ....	.....0	.....0	.....0
1402. ....	.....0	.....0	.....0
1403. ....	.....0	.....0	.....0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	.....0	.....0	.....0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	.....0	.....0	.....0
2901. ....	.....0	.....0	.....0
2902. ....	.....0	.....0	.....0
2903. ....	.....0	.....0	.....0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	.....0	.....0	.....0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	.....0	.....0	.....0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	.....3,661,800	.....4,974,222
34. Net income or (loss) from Line 32.....	.....39,056	.....263,194
35. Change in valuation basis of aggregate policy and claim reserves.....	.....0	.....0
36. Change in net unrealized capital gains and (losses) less capital gains tax of \$.....0.....	.....0	.....0
37. Change in net unrealized foreign exchange capital gain or (loss).....	.....0	.....0
38. Change in net deferred income tax.....	.....6,721	.....(10,543)
39. Change in nonadmitted assets.....	.....(2)	.....8,227
40. Change in unauthorized reinsurance.....	.....0	.....0
41. Change in treasury stock.....	.....0	.....0
42. Change in surplus notes.....	.....0	.....0
43. Cumulative effect of changes in accounting principles.....	.....0	.....0
44. Capital changes:		
44.1 Paid in.....	.....0	.....0
44.2 Transferred from surplus (Stock Dividend).....	.....0	.....0
44.3 Transferred to surplus.....	.....0	.....0
45. Surplus adjustments:		
45.1 Paid in.....	.....0	.....(1,500,000)
45.2 Transferred to capital (Stock Dividend).....	.....0	.....0
45.3 Transferred from capital.....	.....0	.....0
46. Dividends to stockholders.....	.....0	.....0
47. Aggregate write-ins for gains or (losses) in surplus.....	.....2	.....(73,300)
48. Net change in capital and surplus (Lines 34 to 47).....	.....45,777	.....(1,312,422)
49. Capital and surplus end of reporting period (Line 33 plus 48).....	.....3,707,577	.....3,661,800

DETAILS OF WRITE-INS		
4701. Additional Deferred Tax Asset Admitted Amount.....	.....2	.....0
4702. Correction of prior period federal income tax expense.....	.....0	.....38,675
4703. Correction of error- current federal taxes.....	.....0	.....(1,475)
4798. Summary of remaining write-ins for Line 47 from overflow page.....	.....0	.....(110,500)
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	.....2	.....(73,300)

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	(5,881)	(21,413)
2. Net investment income.....	55,659	229,517
3. Miscellaneous income.....	0	0
4. Total (Lines 1 through 3).....	49,778	208,104
5. Benefit and loss related payments.....	(22,117)	339,544
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	26,052	45,715
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	12,334	(52,394)
10. Total (Lines 5 through 9).....	16,269	332,865
11. Net cash from operations (Line 4 minus Line 10).....	33,509	(124,761)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	0	0
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(16)	23
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	(16)	23
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	0	0
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	0
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(16)	23
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	(1,500,000)
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	(216,049)	(914,116)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(216,049)	(2,414,116)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(182,556)	(2,538,854)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	2,722,863	5,261,717
19.2 End of year (Line 18 plus Line 19.1).....	2,540,307	2,722,863
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 .....	0	0

**Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)**

## ANALYSIS OF OPERATION BY LINES OF BUSINESS

[illegible]

### DETAILS OF WRITE-INS

[illegible]

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

		1	2	3	4
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1.	Comprehensive (hospital and medical).....	(5,881)	0	0	(5,881)
2.	Medicare supplement.....	0	0	0	0
3.	Dental only.....	0	0	0	0
4.	Vision only.....	0	0	0	0
5.	Federal employees health benefits plan.....	0	0	0	0
6.	Title XVIII - Medicare.....	0	0	0	0
7.	Title XIX - Medicaid.....	0	0	0	0
8.	Other health.....	0	0	0	0
9.	Health subtotal (Lines 1 through 8).....	(5,881)	0	0	(5,881)
10.	Life.....	0	0	0	0
11.	Property/casualty.....	0	0	0	0
12.	Totals (Lines 9 to 11).....	(5,881)	0	0	(5,881)



Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct.....	(22,117)	(22,117)	0	0	0	0	0	0	0	0
1.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
1.4 Net.....	(22,117)	(22,117)	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct.....	2,572	2,572	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
3.4 Net.....	2,572	2,572	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct.....	35	35	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	35	35	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	0	0	0	0	0	0	0	0	0	0
6. Net healthcare receivables (a).....	0	0	0	0	0	0	0	0	0	0
7. Amounts recoverable from reinsurers December 31, current year.....	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct.....	8,400	8,400	0	0	0	0	0	0	0	0
8.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
8.4 Net.....	8,400	8,400	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct.....	163	163	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
9.4 Net.....	163	163	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year.....	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct.....	(28,073)	(28,073)	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
12.4 Net.....	(28,073)	(28,073)	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Medical and Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct.....	691	691	0	0	0	0	0	0	0	0
1.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
1.4 Net.....	691	691	0	0	0	0	0	0	0	0
2. Incurred but unreported:										
2.1 Direct.....	1,881	1,881	0	0	0	0	0	0	0	0
2.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
2.4 Net.....	1,881	1,881	0	0	0	0	0	0	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct.....	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
3.4 Net.....	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct.....	2,572	2,572	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	2,572	2,572	0	0	0	0	0	0	0	0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid December 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....	(22,117)	0	2,607	0	(19,510)	8,563
2. Medicare supplement.....	0	0	0	0	0	0
3. Dental only.....	0	0	0	0	0	0
4. Vision only.....	0	0	0	0	0	0
5. Federal employees health benefits plan.....	0	0	0	0	0	0
6. Title XVIII - Medicare.....	0	0	0	0	0	0
7. Title XIX - Medicaid.....	0	0	0	0	0	0
8. Other health.....	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8).....	(22,117)	0	2,607	0	(19,510)	8,563
10. Healthcare receivables (a).....	0	0	0	0	0	0
11. Other non-health.....	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts.....	0	0	0	0	0	0
13. Totals (Lines 9 - 10 + 11 + 12).....	(22,117)	0	2,607	0	(19,510)	8,563

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior.....	1,079	1,062	1,059	1,062	1,062
2. 2005.....	6,047	6,602	6,607	6,609	6,609
3. 2006.....	.XXX	4,389	4,744	4,773	4,773
4. 2007.....	.XXX	.XXX	3,266	3,461	3,439
5. 2008.....	.XXX	.XXX	.XXX	.0	.0
6. 2009.....	.XXX	.XXX	.XXX	.XXX	.0

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior.....	1,150	1,073	1,062	1,062	1,062
2. 2005.....	6,730	6,616	6,614	6,611	6,609
3. 2006.....	.XXX	4,902	4,756	4,775	4,774
4. 2007.....	.XXX	.XXX	3,569	3,466	3,441
5. 2008.....	.XXX	.XXX	.XXX	.0	.0
6. 2009.....	.XXX	.XXX	.XXX	.XXX	.0

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claim Payments	3  Claim Adjustment Expense Payments	4  Percent (Col. 3/2)	5  Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6  Percent (Col. 5/1)	7  Claims Unpaid	8  Unpaid Claim Adjustment Expense	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10  Percent (Col. 9/1)
1. 2005.....	7,835	6,609	147	2.2	6,756	86.2	0	.0	6,756	86.2
2. 2006.....	6,135	4,773	110	2.3	4,883	79.6	1	.0	4,884	79.6
3. 2007.....	3,521	3,439	76	2.2	3,515	99.8	2	.0	3,517	99.9
4. 2008.....	(20)	.0	.0	0.0	.0	0.0	0	.0	.0	0.0
5. 2009.....	(6)	.0	.0	0.0	.0	0.0	0	.0	.0	0.0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior.....	1,079	1,062	1,059	1,062	1,062
2. 2005.....	6,047	6,602	6,607	6,609	6,609
3. 2006.....	XXX	4,389	4,744	4,773	4,773
4. 2007.....	XXX	XXX	3,266	3,461	3,439
5. 2008.....	XXX	XXX	XXX	0	0
6. 2009.....	XXX	XXX	XXX	XXX	0

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior.....	1,150	1,073	1,062	1,062	1,062
2. 2005.....	6,730	6,616	6,614	6,611	6,609
3. 2006.....	XXX	4,902	4,756	4,775	4,774
4. 2007.....	XXX	XXX	3,569	3,466	3,441
5. 2008.....	XXX	XXX	XXX	0	0
6. 2009.....	XXX	XXX	XXX	XXX	0

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - HOSPITAL AND MEDICAL

Years in Which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claim Payments	3  Claim Adjustment Expense Payments	4  Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6  Percent (Col. 5/1)	7  Claims Unpaid	8  Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10  Percent (Col. 9/1)
1. 2005.....	7,835	6,609	147	2.2	6,756	86.2	0	0	6,756	86.2
2. 2006.....	6,135	4,773	110	2.3	4,883	79.6	1	0	4,884	79.6
3. 2007.....	3,521	3,439	76	2.2	3,515	99.8	2	0	3,517	99.9
4. 2008.....	(20)	0	0	0.0	0	0.0	0	0	0	0.0
5. 2009.....	(6)	0	0	0.0	0	0.0	0	0	0	0.0

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare Supp.  
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare Supp.  
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare Supp.  
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Dental  
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Dental  
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Dental  
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Vision  
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Vision  
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Vision  
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Fed Emp Health  
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Fed Emp Health  
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Fed Emp Health  
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare  
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare  
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare  
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicaid  
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicaid  
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicaid  
NONE**

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior.....	0	0	0	0	0
2. 2005.....	0	0	0	0	0
3. 2006.....	XXX	0	0	0	0
4. 2007.....	XXX	XXX	0	0	0
5. 2008.....	XXX	XXX	XXX	0	0
6. 2009.....	XXX	XXX	XXX	XXX	0

SECTION B - INCURRED HEALTH CLAIMS - OTHER

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior.....	0	0	0	0	0
2. 2005.....	0	0	0	0	0
3. 2006.....	XXX	0	0	0	0
4. 2007.....	XXX	XXX	0	0	0
5. 2008.....	XXX	XXX	XXX	0	0
6. 2009.....	XXX	XXX	XXX	XXX	0

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER

Years in Which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claim Payments	3  Claim Adjustment Expense Payments	4  Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6  Percent (Col. 5/1)	7  Claims Unpaid	8  Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10  Percent (Col. 9/1)
1. 2005.....	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2006.....	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2007.....	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2008.....	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2009.....	0	0	0	0.0	0	0.0	0	0	0	0.0

Statement as of December 31, 2009 of the   **Aetna Health Inc. (a Michigan corporation)**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY**

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
POLICY RESERVE									
1.   Unearned premium reserves.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2.   Additional policy reserves (a).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
3.   Reserve for future contingent benefits.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
4.   Reserve for rate credits or experience rating refunds (including \$......0) for investment income.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5.   Aggregate write-ins for other policy reserves.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
6.   Totals (gross).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
7.   Reinsurance ceded.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
8.   Totals (net) (Page 3, Line 4).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
CLAIM RESERVE									
9.   Present value of amounts not yet due on claims.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
10.   Reserve for future contingent benefits.....	.....35	.....35	.....0	.....0	.....0	.....0	.....0	.....0	.....0
11.   Aggregate write-ins for other claim reserves.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
12.   Totals (gross).....	.....35	.....35	.....0	.....0	.....0	.....0	.....0	.....0	.....0
13.   Reinsurance ceded.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
14.   Totals (net) (Page 3, Line 7).....	.....35	.....35	.....0	.....0	.....0	.....0	.....0	.....0	.....0
DETAILS OF WRITE-INS									
0501. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
0502. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
0503. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
1101. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
1102. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
1103. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

(a)   Includes \$......0 premium deficiency reserve.



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UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$.....0 for occupancy of own building).....	.....0	.....0	.....0	.....41	.....41
2. Salaries, wages and other benefits.....	.....0	.....0	.....0	.....2,078	.....2,078
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....	.....0	.....0	.....0	.....0	.....0
4. Legal fees and expenses.....	.....0	.....0	.....0	.....132	.....132
5. Certifications and accreditation fees.....	.....0	.....0	.....0	.....0	.....0
6. Auditing, actuarial and other consulting services.....	.....0	.....0	.....0	.....0	.....0
7. Traveling expenses.....	.....0	.....0	.....0	.....28	.....28
8. Marketing and advertising.....	.....0	.....0	.....0	.....0	.....0
9. Postage, express and telephone.....	.....0	.....0	.....0	.....110	.....110
10. Printing and office supplies.....	.....0	.....0	.....350	.....50	.....400
11. Occupancy, depreciation and amortization.....	.....0	.....0	.....1,487	.....0	.....1,487
12. Equipment.....	.....0	.....0	.....0	.....116	.....116
13. Cost or depreciation of EDP equipment and software.....	.....0	.....0	.....0	.....0	.....0
14. Outsourced services including EDP, claims, and other services.....	.....0	.....0	.....0	.....346	.....346
15. Boards, bureaus and association fees.....	.....0	.....0	.....0	.....6	.....6
16. Insurance, except on real estate.....	.....0	.....0	.....0	.....0	.....0
17. Collection and bank service charges.....	.....0	.....0	.....0	.....19	.....19
18. Group service and administration fees.....	.....0	.....0	.....0	.....0	.....0
19. Reimbursements by uninsured plans.....	.....0	.....0	.....0	.....0	.....0
20. Reimbursements from fiscal intermediaries.....	.....0	.....0	.....0	.....0	.....0
21. Real estate expenses.....	.....0	.....0	.....0	.....0	.....0
22. Real estate taxes.....	.....0	.....0	.....0	.....72	.....72
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....	.....0	.....0	.....1,556	.....0	.....1,556
23.2 State premium taxes.....	.....0	.....0	.....0	.....0	.....0
23.3 Regulatory authority licenses and fees.....	.....0	.....0	.....250	.....0	.....250
23.4 Payroll taxes.....	.....0	.....0	.....0	.....145	.....145
23.5 Other (excluding federal income and real estate taxes).....	.....0	.....0	.....7,182	.....0	.....7,182
24. Investment expenses not included elsewhere.....	.....0	.....0	.....0	.....0	.....0
25. Aggregate write-ins for expenses.....	.....0	.....0	.....952	.....0	.....952
26. Total expenses incurred (Lines 1 to 25).....	.....0	.....0	.....11,777	.....3,143	(a).....14,920
27. Less expenses unpaid December 31, current year.....	.....0	.....67	.....1,801	.....0	.....1,868
28. Add expenses unpaid December 31, prior year.....	.....0	.....192	.....15,951	.....0	.....16,143
29. Amounts receivable relating to uninsured plans, prior year.....	.....0	.....0	.....0	.....0	.....0
30. Amounts receivable relating to uninsured plans, current year.....	.....0	.....0	.....0	.....0	.....0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	.....0	.....125	.....25,927	.....3,143	.....29,195

DETAILS OF WRITE-INS

2501. Intercompany Interest Expense.....	.....0	.....0	.....4,163	.....0	.....4,163
2502. Miscellaneous Expense.....	.....0	.....0	.....(3,211)	.....0	.....(3,211)
2503. ....	.....0	.....0	.....0	.....0	.....0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.....0	.....0	.....0	.....0	.....0
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.....0	.....0	.....952	.....0	.....952

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

Statement as of December 31, 2009 of the **Aetna Health Inc. (a Michigan corporation)**

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....47,451	.....47,451
1.1 Bonds exempt from U.S. tax.....	(a)......0	......0
1.2 Other bonds (unaffiliated).....	(a)......0	......0
1.3 Bonds of affiliates.....	(a)......0	......0
2.1 Preferred stocks (unaffiliated).....	(b)......0	......0
2.11 Preferred stocks of affiliates.....	(b)......0	......0
2.2 Common stocks (unaffiliated).....	......0	......0
2.21 Common stocks of affiliates.....	......0	......0
3. Mortgage loans.....	(c)......0	......0
4. Real estate.....	(d)......0	......0
5. Contract loans.....	......0	......0
6. Cash, cash equivalents and short-term investments.....	(e).....11,750	.....11,742
7. Derivative instruments.....	(f)......0	......0
8. Other invested assets.....	......0	......0
9. Aggregate write-ins for investment income.....	.....302	.....302
10. Total gross investment income.....	.....59,503	.....59,495
11. Investment expenses.....		(g).....2,998
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....145
13. Interest expense.....		(h)......0
14. Depreciation on real estate and other invested assets.....		(i)......0
15. Aggregate write-ins for deductions from investment income.....		......0
16. Total deductions (Lines 11 through 15).....		.....3,143
17. Net investment income (Line 10 minus Line 16).....		.....56,352

DETAILS OF WRITE-INS		
0901. Miscellaneous Interest.....	.....281	.....281
0902. Intercompany Interest Income.....	.....21	.....21
0903. ....	......0	......0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	......0	......0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....302	.....302
1501. ....		......0
1502. ....		......0
1503. ....		......0
1598. Summary of remaining write-ins for Line 15 from overflow page.....		......0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		......0
(a) Includes \$.....701 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.		
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.		
(e) Includes \$.....11,662 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.		
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.		
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.		
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.		

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	......0	......0	......0	......0	......0
1.1 Bonds exempt from U.S. tax.....	......0	......0	......0	......0	......0
1.2 Other bonds (unaffiliated).....	......0	......0	......0	......0	......0
1.3 Bonds of affiliates.....	......0	......0	......0	......0	......0
2.1 Preferred stocks (unaffiliated).....	......0	......0	......0	......0	......0
2.11 Preferred stocks of affiliates.....	......0	......0	......0	......0	......0
2.2 Common stocks (unaffiliated).....	......0	......0	......0	......0	......0
2.21 Common stocks of affiliates.....	......0	......0	......0	......0	......0
3. Mortgage loans.....	......0	......0	......0	......0	......0
4. Real estate.....	......0	......0	......0	......0	......0
5. Contract loans.....	......0	......0	......0	......0	......0
6. Cash, cash equivalents and short-term investments.....	.....(16)	......0	.....(16)	......0	......0
7. Derivative instruments.....	......0	......0	......0	......0	......0
8. Other invested assets.....	......0	......0	......0	......0	......0
9. Aggregate write-ins for capital gains (losses).....	......0	......0	......0	......0	......0
10. Total capital gains (losses).....	.....(16)	......0	.....(16)	......0	......0
DETAILS OF WRITE-INS					
0901. ....	......0	......0	......0	......0	......0
0902. ....	......0	......0	......0	......0	......0
0903. ....	......0	......0	......0	......0	......0
0998. Summary of remaining write-ins for Line 9 from overflow page....	......0	......0	......0	......0	......0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	......0	......0	......0	......0	......0

**Ex.of Nonadmitted Assets**  
**NONE**

**Ex. 1**  
**NONE**

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## NOTES TO FINANCIAL STATEMENTS

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1. Summary of significant accounting policies

Accounting practices

The accompanying statutory financial statements of Aetna Health Inc. (a Michigan corporation) (the "Company"), indirectly a wholly-owned subsidiary of Aetna Inc. ("Aetna"), have been prepared in conformity with accounting practices prescribed or permitted by the Michigan Office of Financial and Insurance Services ("Michigan Department") ("Michigan Accounting Practices"). The Michigan Department recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining and reporting the financial condition and results of operations of an insurance company, which include accounting practices and procedures adopted by the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures* Manual ("NAIC SAP"). The Company's net income and capital and surplus as stated on a NAIC SAP basis and on the basis of practices prescribed or permitted by the State of Michigan were the same as of and for the years December 31, 2009 and 2008.

The Michigan Accounting Practices prescribed vary from U.S. generally accepted accounting principles ("GAAP"). The primary differences include:

- Certain assets, designated as nonadmitted assets (in part, premium funds receivable, which are nonadmitted in accordance with Statements of Statutory Accounting Principles ("SSAP") No. 6, *Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers*) are not recorded as assets, but are charged to surplus. Thus, nonadmitting premium funds receivable eliminates the need for a separate allowance for doubtful accounts which is utilized under GAAP;
- Bonds are recorded at amortized cost except for those with an NAIC designation of 3 through 6, which are reported at the lower of amortized cost or fair value. Therefore, changes in unrealized gains and losses for those securities held at amortized cost are not reflected in the financial statements. Under GAAP, bonds classified as available for sale are recorded at fair value, and related changes in unrealized gains and losses are recorded as a component of equity, net of deferred Federal income taxes;
- Deferred tax assets and liabilities are determined and admitted in accordance with SSAP No. 10R, *Income Taxes – Revised, A Temporary Replacement of SSAP 10*. Changes in net deferred tax assets and liabilities are reflected as changes in surplus. Under GAAP, such assets and liabilities are determined under Statement of Financial Accounting Standards No. 109, *Accounting for Income Taxes* and such changes are reflected in net income; and
- Yield-related other-than-temporary impairment ("OTTI") losses on bonds (other than loan-backed or structured securities) and redeemable preferred stocks (those losses driven by credit-spread widening or interest rate changes and not declines in the credit worthiness of the issuer or the quality of the security) are recorded when the Company intends to sell an investment at the reporting date before recovery of the cost of the investment in accordance with Interpretation of the Emerging Accounting Issues Working Group INT 06-07: *Definition of Phrase "Other Than Temporary"*. Under GAAP, yield-related OTTI losses are recognized when the Company cannot assert its intent to sell or if it is more likely than not that the Company will be required to sell the security before recovery of its cost basis. Credit worthiness of the issuer is written down in accordance with SSAP No. 26, *Bonds, Excluding Loan-Backed and Structured Securities*. Under GAAP, the write-down is bifurcated into credit and non-credit related components and only the credit-related component is recognized in results of operations.

Use of estimates in the preparation of the financial statements

The preparation of these financial statements in conformity with Michigan Accounting Practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses. Actual results could differ from those estimates.

Significant accounting policies

The Company applies the following significant accounting policies:

Cash, cash equivalents and short-term investments

Cash and cash equivalents include all highly liquid instruments readily convertible to cash with a maturity of three months or less from the date of purchase. Short-term investments primarily consist of investments purchased with an original maturity of one year or less. The carrying amounts of cash and cash equivalents and short-term investments reported in the accompanying Statutory Statements of Assets approximate fair value.

Bonds

Bonds, which include statutory deposits, are carried at amortized cost except for those bonds with an NAIC designation of 3 through 6 which are reported at the lower of amortized cost or fair value. The amount reported at fair value is not material to the financial statements. Bond premiums and discounts are amortized using the scientific interest method. When quoted prices in active markets for identical assets are available, the Company uses these quoted market prices to determine the fair value of bonds. This is used primarily for U.S. government securities. In other cases where a quoted market price for identical assets in an active

market is either not available or not observable, the Company estimates fair values using valuation methodologies based on available and observable market information or by using a matrix pricing model. If quoted market prices are not available, the Company determines fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. The Company had no investments where fair value was determined using broker quotes or an internal analysis of financial performance and cash flow projections. Bonds include all investments whose maturity is greater than one year when purchased.

The Company periodically reviews its bonds to determine whether a decline in fair value below the carrying value is other-than temporary. For bonds, other than loan-backed and structured securities, an other-than-temporary impairment shall be considered to have occurred if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition. Declines deemed to be other-than-temporary impairments in the cost basis are recognized as realized capital losses. Interest related impairments are deemed other-than-temporary when the Company intends to sell an investment at the reporting date before recovery of the cost of the investment. For loan-backed and structured securities, the Company records other-than-temporary impairments when the fair value of the loan-backed or structured security is less than the amortized cost basis at the balance sheet date and (1) the Company intends to sell the investment, or (2) the Company does not have the intent and ability to retain the investment for the time sufficient to recover the amortized cost basis, or (3) the Company does not expect to recover the entire amortized cost basis of the security, even if it does not intend to sell the security and has the ability to hold. If it is determined an other-than-temporary impairment has occurred because of (1) or (2), the amount of the other-than-temporary impairment is equal to the difference between the amortized cost and the fair value of the security at the balance sheet date and this difference is recorded as a realized capital loss. If it is determined an other-than-temporary impairment has occurred because of (3), the amount of the other-than-temporary impairment is equal to the difference between the amortized cost and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's effective interest rate and this difference is also accounted for as a realized capital loss.

The Company analyzes all relevant facts and circumstances for each investment when performing its analysis to determine whether an other-than-temporary impairment exists. Among the factors considered in evaluating whether a decline is other-than-temporary, management considers whether the decline in fair value results from a change in the quality of the investment security itself, whether the decline results from a downward movement in the market as a whole, the prospects for realizing the carrying value of the bond based on the investee's current and short-term prospects for recovery and other factors. The risks inherent in assessing the impairment of an investment include the risk that market factors may differ from our expectations and the risk that facts and circumstances factored into our assessment may change with the passage of time. Unexpected changes to market factors and circumstances that were not present in past reporting periods may result in a current period decision to sell securities that were not impaired in prior reporting periods.

#### Premiums and amounts due and unpaid

The Company does not have any premium and amounts due and unpaid as a result of the Company's cessation of marketing.

Premium revenue for prepaid health care products are recognized as income in the month in which enrollees are entitled to health care services. Premiums collected before the effective period are reported as premiums received in advance. Premiums related to unexpired contractual coverage periods are reported as unearned premiums in the Statutory Statements of Liabilities, Capital and Surplus (refer to discussion of aggregate health policy reserves and related expenses below).

#### Pharmaceutical rebate receivables

The Company does not have any pharmaceutical rebate receivables as a result of the Company's cessation of marketing.

The Company estimates pharmaceutical rebates receivable based upon the historical payment trends, actual utilization and other variables. Pharmaceutical rebates for a quarter are billed to the vendor within one month of the completion of the quarter with any adjustment to previously recorded amounts reflected at the time of billing. The Company reports pharmaceutical rebates receivable as health care receivables. Pharmacy rebates over 90 days past due are nonadmitted. All rebates are processed and settled with an affiliated entity.

#### Hospital and medical costs and claims adjustment expenses and related reserves

Hospital and medical costs for the year ended December 31, 2009 and 2008 consist of the effects of the claim reserve reductions due to the run-off of prior incurred claims. Claims unpaid include the Company's estimate of payments to be made on claims reported but not yet paid and for health care services rendered to enrollees but not yet reported to the Company as of the Statutory Statements of Assets, Liabilities, Capital and Surplus date. Such estimates are developed using actuarial principles and assumptions, which consider, among other things, historical and projected claim submission and processing patterns, medical cost trends, historical utilization of health care services, claim inventory levels, changes in membership and product mix, seasonality and other relevant factors. The Company reflects changes in estimates in hospital and medical

costs in the Statutory Statements of Revenue and Expenses in the period they are determined. Capitation costs, which are recorded in hospital and medical expenses in the Statutory Statements of Revenue and Expenses, represent contractual monthly fees paid to participating physicians and other medical providers for providing medical care, regardless of the medical services provided to the enrollee.

The Company uses the triangulation method to estimate reserves for claims incurred but not reported. The method of triangulation makes estimates of completion factors which are then applied to the total paid claims (net of coordination of benefits) to date for each incurral month. This provides an estimate of the total projected incurred claims and total amount outstanding or claims incurred but not reported (claims unpaid).

Claims adjustment expenses represent the costs incurred related to the claim settlement process such as costs to record, process and adjust claims.

#### Aggregate health claim reserves

The reserve for future contingent benefits includes the estimated cost of services which will continue to be incurred after the Statutory Statements of Liabilities, Capital and Surplus date if the Company is obligated to pay for such services in accordance with contract provisions or regulatory requirements. These balances are recorded in aggregate health claim reserves in the Statutory Statements of Liabilities, Capital and Surplus and are estimated using a percentage of current hospital and medical costs, which is based on the Company's historical cost experience.

#### Covered and uncovered expenses and related liabilities

Covered expenses and related liabilities represent costs for health care expenses for which a member is not responsible in the event of the insolvency of the Company. Uncovered expenses and related liabilities represent costs to the Company for health care services that are the obligation of the Company and for which a member may also be liable in the event of the Company's insolvency.

#### Federal and state income taxes

In accordance with a written tax sharing agreement with an affiliate, the Company's current Federal income tax provisions are generally computed as if the Company were filing a separate Federal income tax return; current income tax benefits, including those resulting from net operating losses, are recognized to the extent realized in the consolidated return. Pursuant to this agreement, the Company has the enforceable right to recoup Federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to Federal income taxes.

Deferred income tax assets ("DTAs") and liabilities ("DTLs") represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in Statement of Statutory Accounting Principles No. 10R, *Income Taxes, Revised, A Temporary Replacement of SSAP No. 10*. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period.

Pursuant to SSAP No. 10R, which is effective for 2009 annual statements and 2010 interim and annual financial statements only, gross DTAs are first reduced by a statutory valuation allowance adjustment to an amount that is more likely than not to be realized ("adjusted gross DTAs"). Adjusted gross DTAs are then admitted in an amount equal to either:

- A. The sum of (1) previously paid federal income taxes which are expected to be recovered through loss carrybacks for existing temporary differences which reverse within a year and (2) the lesser of the amount of gross DTAs expected to be realized within one year of the balance sheet date after the application of (1) or ten percent of statutory capital and surplus and (3) the amount of gross DTAs, after the application of (1) and (2), that can be offset against existing gross DTLs; or
- B. If a reporting entity, which is subject to risk-based capital ("RBC") requirements or which is required to file a RBC Report with its domiciliary state, exceeds certain risk-based capital thresholds after reflecting the adjusted gross DTAs as calculated in A., the reporting entity may elect to admit a higher amount of adjusted gross DTAs. If elected by the reporting entity, adjusted gross DTAs may be admitted in an amount equal to the sum of (1) previously paid Federal income taxes which are expected to be recovered through loss carrybacks for existing temporary differences which reverse within a timeframe corresponding with Internal Revenue Service ("IRS") tax loss carryback provisions, not to exceed three years and (2) the lesser of the amount of gross DTAs expected to be realized within three years of the balance sheet date after the application of (1) or fifteen percent of statutory capital and surplus and (3) the amount of gross DTAs, after the application of (1) and (2), that can be offset against existing gross DTLs.

Prior to the adoption of SSAP No. 10R, there was no statutory valuation allowance adjustment and DTAs were admitted in accordance with paragraph A. above only.



NAIC SAP requires that DTAs can only be admitted through loss carrybacks to the extent that the Company paid or was allocated taxes as a separate legal entity. In addition, DTAs that the Company expects to realize within either one year or three years of the balance sheet date or during a timeframe corresponding with the IRS tax loss carryback provisions, not to exceed three years, on a separate legal entity basis cannot be admitted if the Company projects a tax loss, even if the loss could offset taxable income of other members in the consolidated group.

Changes in DTAs and DTLs are recognized as a separate component of gains and losses in surplus ("Change in net deferred income tax") except to the extent allocated to changes in unrealized gains and losses. Changes in DTAs and DTLs allocated to unrealized gains and losses are netted against the related changes in unrealized gains and losses and are reported as "Change in net unrealized capital gains (losses)", also a separate component of gains and losses in surplus. Any increased amount of admitted assets and statutory surplus resulting from the election of paragraph B. above (the additional deferred tax asset admitted amount) is reported separately as part of aggregate write-ins for special surplus funds in the Statutory Statements of Liabilities, Capital and Surplus and as aggregate write-ins for gains and losses in surplus in the Statutory Statements of Revenue and Expenses (Continued).

State income tax expense is recorded in general administrative expenses on the Statutory Statements of Revenue and Expenses. For the year ended December 31, 2009, the Company incurred state income tax expense (benefit) of \$1,556. The Company did not incur any state income tax expense (benefit) for the year ended December 31, 2008. The Company's state income tax payable of \$1,801 and \$245 at December 31, 2009 and 2008, respectively, were included in general expenses due or accrued in the Statutory Statements of Liabilities, Capital and Surplus.

2. Accounting changes and corrections of errors

As discussed in Notes 1 and 9, SSAP No. 10R, *Income Taxes - Revised, A Temporary Replacement of SSAP No. 10*, was adopted in the fourth quarter of 2009 and is effective December 31, 2009. SSAP No. 10R replaces SSAP No. 10 and is effective for 2009 annual statements and 2010 interim and annual statements only. The adoption of SSAP No. 10R results in a change in the admission of deferred tax assets and is considered a change in accounting principle. This change (the additional deferred tax asset admitted amount) is recorded as per the guidance in SSAP No. 10R as an increase in aggregate write-ins for special surplus funds in Statutory Statements of Liabilities, Capital and Surplus. During the fourth quarter of 2009, the Company recorded an additional deferred tax asset amount, an adjustment that increased aggregate write-ins for special surplus funds, of \$2 related to the adoption of SSAP No. 10R.

In 2008, the Company corrected a balance in its current Federal income tax payable that was established prior to 2006, but was determined to be understated based upon further research. As a result, the Company's 2007 current Federal income tax payable and unassigned funds as reported in the Statutory Statements of Liabilities, Capital and Surplus were understated and overstated, respectively, by \$1,475. This amount was corrected by recording an aggregate write-in for gains in surplus in the Statutory Statements of Capital and Surplus in 2008 in accordance with SSAP No. 3, *Accounting Changes and Corrections of Errors*.

During the second quarter of 2008, the Company discovered additional information related to the payment of claims against the claims unpaid balance at December 31, 2007. Due to this new information, the Company recorded an increase to its claims unpaid in the amount of \$110,500 (before taxes). Lines 4701 and 4703 on the Statutory Statements of Revenue and Expenses (continued) page have been adjusted in 2008 to correct this error.

3. Business combinations and goodwill

The Company was not a part of any business combinations that involved the statutory purchase method, a statutory merger, or an impairment loss in the years ending December 31, 2009 and 2008.

4. Discontinued operations

The Company has withdrawn from the market effective December 31, 2007. The Company provided such information to the Michigan Office of Financial and Insurance Services on November 7, 2006 pursuant to M.C.L.A. Section 500.3712.

5. Investments

- A. The Company did not have any mortgage loans at December 31, 2009 or 2008.
- B. The Company did not have any debt restructuring in the years ending December 31, 2009 and 2008.
- C. The Company did not have any reverse mortgages at December 31, 2009 or 2008.
- D. The Company did not have any loan-backed securities at December 31, 2009 or 2008.
- E. Repurchase Agreements and/or Securities Lending Transactions

- 1. The Company did not have any repurchase agreements at December 31, 2009 or 2008.

2. Securities lending

The Company engages in securities lending by lending certain debt securities from its investment portfolio to other institutions for short periods of time. The Company requires collateral from borrowers, primarily cash in the amount of at least 102% of the fair value of the loaned security. The fair value of the loaned securities are monitored on a daily basis, with additional collateral obtained or refunded as the fair value of the loan securities fluctuate. The collateral is retained and invested by a lending agent according to the Company's guidelines to generate additional investment income for the Company.

The Company did not have any loaned securities at December 31, 2009. At December 31, 2008, the Company had loaned securities (which were reflected as bonds in the Statutory Statements of Assets) with a fair value of approximately \$1,250,000.

- F. The Company did not have any real estate at December 31, 2009 or 2008.
- G. The Company did not have any low-income housing tax credits at December 31, 2009 or 2008.

6. Joint ventures, partnerships, and limited liability companies

The Company did not have any joint ventures, partnerships, or limited liability companies that exceeded 10% of its admitted assets at December 31, 2009 or 2008.

7. Investment income

There was no Investment income due and accrued with amounts that are over 90 days old at December 31, 2009 or 2008.

8. Derivative instruments

The Company did not have any derivative instruments at December 31, 2009 or 2008.

9. Income taxes

- A. The components of the net deferred tax assets recognized in the Company's Statements of Assets, Liabilities, Capital and Surplus at December 31, 2009 and 2008 were as follows:

	December 31, 2009			December 31, 2008	
	Ordinary	Capital	Total	Total	Change
Gross deferred tax assets	\$2,408	\$3	\$2,411	\$480	\$1,931
Valuation allowance adjustment	-	-	-	-	-
Adjusted gross deferred tax assets	2,408	3	2,411	480	1,931
Gross deferred tax liabilities	-	(1,273)	(1,273)	(6,063)	4,790
Net deferred tax asset	2,408	(1,270)	1,138	(5,583)	6,721
Less: Deferred tax asset nonadmitted	-	-	-	-	-
Net admitted deferred tax asset	\$2,408	\$(1,270)	\$1,138	\$(5,583)	\$6,721
Decrease (increase) in nonadmitted asset	-			-	



The amount of admitted gross deferred tax assets admitted under each component of SSAP No. 10R.

	December 31, 2009			December 31, 2008	Change
	Ordinary	Capital	Total	Total	
Admitted under paragraph 10.a.	\$2,406	-	\$2,406	\$473	\$1,933
Admitted under paragraph 10.b.	-	-	-	-	-
Admitted under paragraph 10.c.	-	\$3	3	6,063	(6,060)
Total admitted from the application of paragraphs 10.a. through 10.c.	2,406	3	2,409	6,536	(4,127)
Admitted under paragraph 10.e.i.	2	-	2	-	2
Admitted under paragraph 10.e.ii.	-	-	-	-	-
Admitted under paragraph 10.e.iii.	-	-	-	-	-
Total admitted under paragraph 10.e.	2	-	2	-	2
Total admitted adjusted gross deferred tax assets	\$2,408	\$3	\$2,411	\$6,536	\$(4,125)

The Company's RBC level used for purposes of paragraph 10.d. is based on authorized control level RBC capital of \$16,424 and total adjusted capital of \$3,707,577.

The increase amount by tax character and the change in such of admitting adjusted gross deferred tax liabilities as of the result of the application of paragraph 10.e.

	Ordinary	Capital	Total	Change
Increase amount of admitted deferred tax assets	\$2	-	\$2	\$2

The amount of admitted deferred tax assets, admitted assets, statutory surplus and total adjusted capital in the RBC calculation and the increased amount of admitted deferred tax assets, admitted assets and surplus as the result of the application of paragraph 10.e.

	After application of 10.a., 10.b. and 10.c.	Increase after application of 10.e.
Admitted deferred tax assets	\$2,408	\$2
Admitted assets	\$3,713,538	\$2
Statutory surplus	\$3,707,575	\$2
Total adjusted capital	\$3,707,575	-

B. There are no deferred tax liabilities that were not recognized at December 31, 2009 or 2008.

C.1 The provisions (benefit) for income taxes for the years ended December 31, 2009 and 2008 were as follows:

	2009	2008
Federal income tax expense on operations	\$27,698	\$4,677
Federal income tax expense on net capital gains	(3)	4
Federal income tax expense incurred	\$27,695	\$4,681

C.2 The tax effects of temporary differences that gave rise to deferred tax assets and liabilities at December 31, 2009 and 2008 were as follows:

	December 31	
	2009	2008
Deferred tax assets:		
Claims unpaid	\$18	\$60
Uncollected premiums - nonadmitted	2,390	-
Unearned premium	-	420
Capital loss carryforward	3	-
Gross deferred tax assets	2,411	480
Nonadmitted deferred tax assets	-	-
Admitted deferred tax assets	2,411	480
Deferred tax liabilities:		
Individual conversion reserve	-	5,035
Other	1,273	1,028
Gross deferred tax liabilities	1,273	6,063
Net admitted deferred tax assets	\$1,138	\$(5,583)

The change in net deferred income taxes in 2009 was comprised of the following:

	December 31		
	2009	2008	Change
Gross deferred tax assets	\$2,411	\$480	\$1,931
Less: Gross deferred tax liabilities	(1,273)	(6,063)	4,790
Net deferred tax asset	\$1,138	\$(5,583)	6,721
Less: Tax effect of unrealized gains (losses)			-
Change in net deferred income tax			\$6,721

At December 31, 2009, there were no adjustments to the gross deferred tax assets because of a change in circumstances. The valuation allowance adjustment to gross deferred tax assets was \$0 for both December 31, 2009 and 2008.

D. The provision for Federal income taxes is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The items causing this difference were as follows:

	December 31, 2009	Effective tax rate	December 31, 2008	Effective tax rate
Provision computed as statutory rate	\$23,363	35.0%	\$93,756	35.0%
Change in nonadmitted assets	(2,389)	(3.6)%	2,880	1.1%
2006 IRS adjustment - Section 482 adjustment	-	-	(56,846)	(21.2)%
2007 true-up, including Section 482 adjustment	-	-	(24,566)	(9.2)%
Total	\$20,974	31.4%	\$15,224	5.7%
Federal and foreign income tax (benefit) or expense incurred	\$27,695	41.5%	\$4,681	1.7%
Change in net deferred income taxes	(6,721)	(10.1)%	10,543	4.0%
Total statutory income taxes	\$20,974	31.4%	\$15,224	5.7%

In 2008, the Company agreed with the IRS on an adjustment to its 2006 taxable income, pursuant to Section 482 of the IRS Code ("Section 482"). Section 482 allows taxpayers to apply different methods to price intercompany services at arm's length prices that would be charged to an unrelated entity. The Company pays for these services under an administrative services agreement with an affiliate. During 2008, the method selected to price intercompany services was adjusted starting with the 2006 tax year, resulting in an increase of the cost of services to the Company. This adjustment was made for tax purposes and increased the allocation of intercompany services to the Company. In addition to the 2006 adjustment, the Company has applied Section 482 in its determination of taxable income for 2007, 2008 and all future years. The tax effect of applying Section 482 to the Company's 2006 through 2008 taxable income has been reflected in the Company's 2008 tax provision. Pursuant to Michigan Accounting Practices these adjustments are reflected as a change in estimate.

E.1 At December 31, 2009, the Company had a net capital loss carryforward of \$8 and no net operating loss carryforwards for tax purposes.

E.2 The amount of Federal income taxes incurred that is available for recoupment in the event of future net losses is \$28,116 and \$46,971 for the years ended December 31, 2009 and 2008, respectively.

E.3 The Company did not report any deposits as admitted assets under Section 6603 of the IRS Code as of December 31, 2009 and 2008.

F.1 At December 31, 2009, the Company's Federal Income Tax Return was consolidated with the following entities:

Aetna Inc. - Parent Company	Aetna Health of the Carolinas Inc.
@ Credentials Inc.	Aetna Insurance Company of Connecticut
Active Health Management, Inc.	Aetna Integrated Informatics, Inc.
AE Fourteen, Incorporated	Aetna International Inc.
AET Health Care Plan, Inc. (TX)	Aetna Ireland, LLC (fka NYLCare Health Plans, Inc.)
AET Health Care Plan of California, Inc.	Aetna Life and Casualty (Bermuda) Ltd.
Aetna/AREA Corporation	Aetna Life Assignment Company
Aetna Better Health Inc. (Connecticut)	Aetna Life Insurance Company
Aetna Better Health Inc. (Pennsylvania)	Aetna Risk Indemnity Company Limited
Aetna Criterion Communications, Inc.	Aetna Student Health Agency Inc.
Aetna Dental Inc. (New Jersey)	AHP Holdings, Inc.
Aetna Dental Inc. (Texas)	AUSHC Holdings, Inc.
Aetna Dental of California Inc.	BPC Equity, Inc.
Aetna Family Plans of Georgia Inc.	Broadspire National Services, Inc.
Aetna Global Benefits Administrators Inc.	Chickering Claims Administrators, Inc.
Aetna Health and Life Insurance Company	Cofinity, Inc.
Aetna Health Inc. (Arizona)	Delaware Physicians Care, Incorporated
Aetna Health Inc. (Colorado)	Delaware Physicians Care - Medicare, Incorporated
Aetna Health Inc. (Connecticut)	Health and Human Resource Center, Inc.
Aetna Health Inc. (Delaware)	Health Cost Consultants, Inc.
Aetna Health Inc. (Florida)	Health Data & Management Solutions, Inc.
Aetna Health Inc. (Georgia)	Integrated Pharmacy Solutions, Inc.
Aetna Health Inc. (Maine)	Health Re, Incorporated
Aetna Health Inc. (Maryland)	Integrated Pharmacy Solutions, Inc.
Aetna Health Inc. (Michigan)	Luettgens Limited
Aetna Health Inc. (Missouri)	Managed Care Coordinators, Inc.
Aetna Health Inc. (New Jersey)	Missouri Care, Incorporated
Aetna Health Inc. (New York)	SABH of Arizona, Incorporated
Aetna Health Inc. (Oklahoma)	Sanus of New York and New Jersey, Inc.
Aetna Health Inc. (Pennsylvania)	Schaller Anderson Behavioral Health, Incorporated
Aetna Health Inc. (Tennessee)	Schaller Anderson Medical Administrators, Incorporated
Aetna Health Inc. (Texas)	Schaller Anderson of Delaware, Incorporated
Aetna Health Inc. (Washington)	Schaller Anderson, Incorporated
Aetna Health Information Solutions, Inc.	Strategic Resource Company
Aetna Health Insurance Company	The Vasquez Group Inc.
Aetna Health Insurance Company of New York	U.S. Healthcare Properties, Inc.
Aetna Health of California Inc.	Work and Family Benefits, Inc.
Aetna Health of Illinois Inc.	

F.2 As explained in Note 1, the Company participates in a tax sharing agreement with its parent and affiliates.

10. Information concerning parent, subsidiaries, affiliates, and related parties

As of and for the years ending December 31, 2009 and 2008, the Company had the following significant transactions with affiliates:

The Company and Aetna Health Management, LLC (“AHM”), indirectly a wholly-owned subsidiary of Aetna, are parties to an administrative services agreement, under which AHM provides certain administrative services, including accounting and processing of premiums and claims. Under this agreement, the Company remits a percentage of its earned commercial, Medicaid and Medicare premium revenue, as applicable, to AHM as a fee, subject to an annual true-up mechanism as defined in the agreement. Under the agreement, this true-up is due to be settled with the affiliate by April 15<sup>th</sup> of the following contract year (which is January 1 to December 31 annually). The Company had no expenses under this agreement in 2009 and 2008 as it earned no premium revenue.

This agreement also provides for interest on all intercompany balances. Interest incurred on amounts due to affiliates was \$4,163 in 2009 and \$54,426 in 2008. Interest earned on amounts due from affiliates was \$21 in 2009. The Company had no interest earned on amounts due from affiliates in 2008. At December 31, 2009 and 2008, the Company had no amounts due to AHM related to this agreement. The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

The Company is a party to an agreement which enables the Company to receive manufacturers' pharmacy rebates from AHM under which the Company remits 10% of its earned pharmaceutical rebates to AHM as a fee. The Company earned pharmacy rebates of \$(24) in 2009 and \$411 in 2008, which were recorded as a reduction of hospital and medical costs. The Company did not incur pharmaceutical rebate fees in 2009 and 2008. At December 31, 2009 and 2008, the Company did not have amounts due from AHM related to pharmaceutical rebates. The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

The amounts reported on the Underwriting and Investment Exhibit, Part 3 represent the expenses incurred under the terms of the administrative agreement, allocated to the Company in accordance SSAP No. 70, *Allocation of Expenses*. SSAP No. 70 states "shared expenses, including expenses under the terms of a management contract, shall be apportioned to the entities incurring the expense as if the expense had been paid solely by the incurring entity. The apportionment shall be completed based upon specific identification to the entity incurring the expense. Where specific identification is not feasible, apportionment shall be based upon pertinent factors or ratios." The Company allocates these expenses based upon a percentage calculated using actual general and administrative expenses incurred by AHM.

The Company has coverage for certain litigation exposures (\$10,000,000 per claim and in the aggregate including defense costs) through an affiliated captive insurance company.

The Company entered into an insolvency agreement with Aetna Health Insurance Company ("AHIC"), a wholly-owned subsidiary of Aetna, effective January 1, 2008. This agreement was approved by the Michigan Department. This agreement provides that in the event that the Company ceases operations or becomes insolvent, AHIC will continue to pay benefits for any members confined as inpatients on the date of insolvency until their discharge. This agreement also provides that AHIC will continue benefits for any member until the end of the contract period for which premium has been paid, but for no longer than thirty-one days. AHIC will also make available to members, for a period of thirty-one days, replacement insurance policies.

As explained in Note 1, the Company participates in a tax sharing agreement with Aetna and Aetna's other subsidiaries. All Federal income tax receivables/payables were due from/due to Aetna.

At December 31, 2009 and 2008, the Company did not hold any investments in any affiliate did not own shares of any upstream intermediate or Aetna and did not make any guarantees for the benefit of an affiliate.

Amounts due to and due from affiliates shown on the accompanying Statutory Statements of Assets, Liabilities, Capital and Surplus include the Company's net receipts and disbursements processed by affiliates and management agreement transactions.

11. Debt

The Company did not have any debt at December 31, 2009 or 2008.

12. Retirement plans, deferred compensation postemployment benefits and compensated absences and other postretirement benefit plans

The Company did not have a retirement plan, deferred compensation plan, or other postretirement benefit plan at December 31, 2009 or 2008.

13. Capital and surplus, shareholders' dividend restrictions and quasi-reorganizations

The Company has 5,000 shares of common stock with \$.01 par value authorized, 1,000 shares issued and outstanding at December 31, 2009 and 2008.

The Company has 50 shares of preferred stock with \$.01 par value authorized, no shares issued and outstanding at December 31, 2009 and 2008.

Dividend restrictions

Shareholder dividends shall be declared or paid only from earned surplus, unless the Michigan Department approves the dividend prior to payment. Dividends not requiring prior approval are limited to the greater of 10% of the insured's surplus as regards policyholders as of December 31 of the immediately preceding year, or the net income, not including realized capital gains, for the 12 month period ending December of the immediately preceding year. Ordinary dividends are ultimately limited to earned surplus.

The Company paid \$1,500,000 as an extraordinary dividend to its parent, all of which constituted a return of capital, on December 3, 2008. The Michigan Department approved this distribution on November 10, 2008. The Company did not receive any capital contributions in 2009 or 2008.

At December 31, 2009, there was no portion of the Company's profits that may be paid as ordinary dividends to stockholders.

There were no restrictions placed on the Company's surplus, including for whom the surplus was being held at December 31, 2009 or 2008, except as noted in Note 20.

The Company did not hold any stock for any special purposes at December 31, 2009 or 2008.

At December 31, 2009, there was no portion of unassigned funds (surplus) that was represented or reduced by unrealized gains and (losses).

The Company did not have any special surplus funds, surplus notes, or quasi-reorganizations at December 31, 2009 or 2008.

14. Contingencies

- A. The Company did not have any contingent commitments at December 31, 2009 or 2008.
- B. The Company did not have any contingent assessments at December 31, 2009 or 2008.
- C. The Company did not have any gain contingencies at December 31, 2009 or 2008.
- D. The Company did not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits at December 31, 2009 or 2008.
- E. All other contingencies

Litigation and regulatory proceedings

Aetna and its subsidiaries, including the Company, are involved in numerous lawsuits arising, for the most part, in the ordinary course of their business operations, including employment litigation and claims of bad faith, medical malpractice, non-compliance with state and Federal regulatory regimes, marketing misconduct, failure to timely or appropriately pay medical and/or group insurance claims, rescission of insurance coverage and other litigation in our health care and group insurance businesses. Some of these other lawsuits are or are purported to be class actions. Aetna and its subsidiaries, including the Company, intend to defend these matters vigorously.

In addition, the current and past business practices of Aetna and its subsidiaries, including the Company, are subject to review by, and from time to time they receive subpoenas and other requests for information from, various state insurance and health care regulatory authorities and attorneys general, the Office of the Inspector General, and other state and Federal authorities, including the investigation by and subpoenas and requests from attorneys general with respect to an industry-wide investigation into certain payment practices with respect to out-of-network providers. There also continues to be heightened review by regulatory authorities of and increased litigation regarding the health care benefits industry's business and reporting practices, including utilization management, complaint and grievance processing, information privacy, provider network structure (including the use of performance-based networks), delegated arrangements, pharmacy benefit management practices and claim payment practices (including payments to out-of-network providers). As a leading national health care benefits organization, Aetna and its subsidiaries, including the Company, regularly are the subject of such reviews. These reviews may result, and have resulted, in changes to or clarifications of the business practices of Aetna and its subsidiaries, including the Company, as well as fines, penalties or other sanctions.

The Company is unable to predict at this time the ultimate outcome of these matters, and it is reasonably possible that their outcome could be material to the Company.

15. Leases

The Company did not have any material lease obligations at December 31, 2009 or 2008.

16. Information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk

The Company did not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk at December 31, 2009 or 2008.

17. Sale, transfer and servicing of financial assets and extinguishments of liabilities

- A. Transfers of receivables reported as sales

The Company did not have any transfers of receivables as sales for the years ending December 31, 2009 and 2008.

- B. Transfer and servicing of financial assets

- 1. Not applicable.
- 2. The Company did not have any loaned securities at December 31, 2009.



3. Not applicable.

C. Wash sales

The Company did not have any wash sales for the years ending December 31, 2009 or 2008.

18. Gain or loss to the HMO from uninsured A&H plans and the uninsured portion of partially insured plans

The Company did not serve as an Administrative Services Only or as an Administrative Services Contract plan administrator for uninsured accident and health plans or the uninsured portion of partially insured plans for the years ended December 31, 2009 and 2008.

19. Direct premium written/produced by managing general agents/third party administrators

The Company did not have any direct premiums written through/produced by managing general agents or third party administrators for the years ended December 31, 2009 and 2008.

20. Other items

A. Extraordinary items

The Company did not have any extraordinary items for the years ended December 31, 2009 and 2008.

B. Troubled debt restructuring: debtors

The Company did not have any troubled debt restructuring in the years ended December 31, 2009 and 2008.

C. Other disclosures

Minimum capital and surplus

Under the laws of the State of Michigan, for a health maintenance organization that contracts or employs providers in numbers sufficient to provide 90% of the health maintenance organization's benefit payout, minimum capital and surplus is the greatest of the following: 1) \$1,500,000, 2) four percent of the health maintenance organization's subscription revenue, or 3) three months' uncovered expenditures. At December 31, 2009 and 2008, the Company's capital and surplus exceeded all such requirements.

The NAIC and the State of Michigan adopted RBC standards for health organizations, including HMOs, that are designed to identify weakly capitalized companies by comparing each company's adjusted capital and surplus to its required capital and surplus (the "RBC Ratio"). The RBC Ratio is designed to reflect the risk profile of the company. Within certain ratio ranges, regulators have increasing authority to take action as the RBC Ratio decreases. There are four levels of regulatory action, ranging from requiring insurers to submit a comprehensive plan to the state insurance commissioner to requiring the state insurance commissioner to place the insurer under regulatory control. At December 31, 2009 and 2008, the Company had capital and surplus that exceeded the highest threshold specified by the RBC rules.

D. The Company did not have any receivable balances due from insurance agents or brokers, and it does not have uninsured plans or retrospectively rated contracts at December 31, 2009 or 2008. Therefore, there were no balances for assets that would be reasonably possible to be uncollectible.

E. The Company did not have any business interruption insurance recoveries for the years ending December 31, 2009 or 2008.

F. The Company did not have any state transferable tax credits for the years ending December 31, 2009 or 2008.

G. The Company did not have any subprime mortgage related risk exposures at December 31, 2009 or 2008.

21. Events subsequent

Subsequent events have been considered through February 25, 2010 for the statutory statement issued on March 1, 2010.

22. Reinsurance

The Company did not have any reinsurance recoverables in dispute, reinsurance assumed, uncollectible reinsurance, commutation of ceded reinsurance, or retroactive reinsurance at December 31, 2009.

23. Retrospectively rated contracts and contracts subject to redetermination

The Company did not have any retrospectively rated contracts or contracts subject to redetermination in 2009 or 2008.

24. Change in claims unpaid, unpaid claims adjustment expense, and aggregate health claim reserves

The following table shows the components of the change in claims unpaid, unpaid claims adjustment expense and aggregate health claim reserves for the years ending December 31, 2009 and 2008.

(in thousands)	2009	2008
Balance, January 1	\$9	\$439
Health care receivable	-	(2)
Balance, January 1, net of health care receivable	9	437
Incurred related to:		
Current year	-	-
Prior years	(28)	(194)
Total incurred	(28)	(194)
Paid related to:		
Current year	-	-
Prior years	(22)	234
Total paid	(22)	234
Balance, December 31, net of health care receivable	3	9
Health care receivable	-	-
Balance, December 31	\$3	\$9

The Company had no significant development of prior period health care cost estimates in 2009. In 2008, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased by \$0.1 million from \$0.4 million in 2007 to \$0.3 million in 2008. The lower than anticipated health care cost trend rates we observed in 2008 for claims incurred in 2007 were due to moderating inpatient, outpatient and primary care physician service trends. Historical health care cost trend rates are not necessarily representative of current trends. Therefore, the Company considers historical trend rates together with knowledge of recent events that may impact current trends when developing estimates of current trend rates. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. The Company excluded the impact of the change in health care receivables related to pharmacy rebates from the above roll-forward to conform to NAIC Annual Statement presentation.

Net coordination of benefits are implicit in the claims incurred but not reported calculation and could not be specifically identified.

25. Intercompany pooling arrangements

The Company did not have any intercompany pooling arrangements at December 31, 2009 or 2008.

26. Structured settlements

Not applicable to health entities.

27. Health care receivables

Pharmaceutical rebates

The Company receives pharmaceutical rebates through an agreement with AHM. AHM has contractual agreements with pharmaceutical companies for rebates, which cover the Company's membership as well as the membership of other Aetna affiliates. The Company receives those rebates from AHM that relate to the Company's membership. The Company estimates pharmaceutical rebates receivable based upon the historical payment trends, actual utilization and other variables. Actual rebates collected are applied to the collection periods below, using a first in first out methodology. At December 31, 2009 and 2008, the Company did not have any pharmaceutical rebates receivables (refer to Note 1 of the Company's accounting practices related to pharmaceutical rebate receivables).

The following table discloses the quarterly revenue and subsequent cash collections relating to the pharmaceutical rebates discussed in Note 10.

Quarter	Estimated pharmacy rebates as reported on financial statements	Pharmacy rebates as invoiced/ confirmed	Actual rebates collected within 90 days of invoicing/ confirmation	Actual rebates collected within 91 to 180 days of invoicing/ confirmation	Actual rebates collected more than 180 days after invoicing/ confirmation
12/31/2009	-	-	-	-	-
9/30/2009	-	-	-	-	-
6/30/2009	-	-	-	-	-
3/31/2009	\$(24)	-	-	-	-
12/31/2008	\$579	\$(24)	\$(24)	-	-
9/30/2008	-	-	-	-	-
6/30/2008	\$(995)	-	-	-	-
3/31/2008	\$827	\$(31)	\$(31)	-	-
12/31/2007	\$7,724	\$9,485	\$9,485	-	-
9/30/2007	\$10,546	\$9,896	\$9,896	-	-
6/30/2007	\$12,532	\$13,435	\$13,435	-	-
3/31/2007	\$15,976	\$13,945	\$13,945	-	-

Risk sharing receivables

The Company did not have any admitted risk sharing receivables at December 31, 2009 or 2008.

28. Participating policies

The Company did not have any participating policies at December 31, 2009 or 2008.

29. Premium deficiency reserves

The Company had no PDR at December 31, 2009 or 2008.

30. Anticipated salvage and subrogation

See discussion of Hospital and medical costs and claims adjustment expenses and related reserves in Note 1.



GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [ X ]

No [   ]

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [ X ]

No [   ]

N/A [   ]

1.3

State regulating?

Michigan

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [   ]

No [ X ]

2.2

If yes, date of change:

N/A

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2007

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2007

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

01/06/2009

3.4

By what department or departments?

Michigan Office of Financial and Insurance Regulation

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes [   ]

No [   ]

N/A [ X ]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [ X ]

No [   ]

N/A [   ]

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11

sales of new business?

Yes [   ]

No [ X ]

4.12

renewals?

Yes [   ]

No [ X ]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21

sales of new business?

Yes [   ]

No [ X ]

4.22

renewals?

Yes [   ]

No [ X ]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [   ]

No [ X ]

5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Co. Code	State of Domicile
N/A		

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [   ]

No [ X ]

6.2

If yes, give full information:

N/A

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [   ]

No [ X ]

7.2

If yes,

7.21

State the percentage of foreign control

.....0.000 %

7.22

State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1	2
Nationality	Type of Entity
N/A	

8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [   ]

No [ X ]

8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

N/A

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [   ]

No [ X ]

8.4

If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
N/A						

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

KPMG LLP, One Financial Plaza, 755 Main Street, Hartford, CT 06103

10.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Peter K. Reilly, Valuation Actuary, Aetna Inc., 980 Jolly Road, U12S; Blue Bell, PA 19422

11.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [   ]

No [ X ]

11.11

Name of real estate holding company

N/A

11.12

Number of parcels involved

.....0

11.13

Total book/adjusted carrying value

\$.....0

11.2

If yes, provide explanation.

N/A

Statement as of December 31, 2009 of the **Aetna Health Inc. (a Michigan corporation)**

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

12.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

12.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

N/A

12.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [ ]

No [ ]

12.3

Have there been any changes made to any of the trust indentures during the year?

Yes [ ]

No [ ]

12.4

If answer to (12.3) is yes, has the domiciliary or entry state approved the changes?

Yes [ ]

No [ ]

N/A [ X ]

13.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [ X ]

No [ ]

a.

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b.

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c.

Compliance with applicable governmental laws, rules and regulations;

d.

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e.

Accountability for adherence to the code.

13.11

If the response to 13.1 is No, please explain:

N/A

13.2

Has the code of ethics for senior managers been amended?

Yes [ X ]

No [ ]

13.21

If the response to 13.2 is Yes, provide information related to amendment(s).

On December 4, 2009, Aetna's Board of Directors amended the Introduction and Statements 4, 6, 9 and 10 of the Code of Conduct to clarify managers' responsibilities; broaden the definition of "confidential information"; clarify restrictions on political activity and contributions; and explicitly note that copying computer software is illegal, respectively.

13.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [ ]

No [ X ]

13.31

If the response to 13.3 is yes, provide the nature of any waiver(s).

N/A

**BOARD OF DIRECTORS**

14.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes [ X ]

No [ ]

15.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes [ X ]

No [ ]

16.

Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [ X ]

No [ ]

**FINANCIAL**

17.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [ ]

No [ X ]

18.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

18.11

To directors or other officers

\$.....0

18.12

To stockholders not officers

\$.....0

18.13

Trustees, supreme or grand (Fraternal only)

\$.....0

18.2

Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

18.21

To directors or other officers

\$.....0

18.22

To stockholders not officers

\$.....0

18.23

Trustees, supreme or grand (Fraternal only)

\$.....0

19.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes [ ]

No [ X ]

19.2

If yes, state the amount thereof at December 31 of the current year:

19.21

Rented from others

\$.....0

19.22

Borrowed from others

\$.....0

19.23

Leased from others

\$.....0

19.24

Other

\$.....0

20.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes [ X ]

No [ ]

20.2

If answer is yes:

20.21

Amount paid as losses or risk adjustment

\$.....0

20.22

Amount paid as expenses

\$.....250

20.23

Other amounts paid

\$.....0

21.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [ X ]

No [ ]

21.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount.

\$.....0

**INVESTMENT**

22.1

Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 22.3)?

Yes [ X ]

No [ ]

22.2

If no, give full and complete information relating thereto.

N/A

22.3

For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 16 where this information is also provided).

N/A

22.4

Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes [ ]

No [ ]

N/A [ X ]

22.5

If answer to 22.4 is yes, report amount of collateral.

\$.....0

22.6

If answer to 22.4 is no, report amount of collateral.

\$.....0

23.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3)

Yes [ X ]

No [ ]

26.1

Statement as of December 31, 2009 of the **Aetna Health Inc. (a Michigan corporation)**

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

- 23.2 If yes, state the amount thereof at December 31 of the current year:
- 23.21 Subject to repurchase agreements

23.22 Subject to reverse repurchase agreements

23.23 Subject to dollar repurchase agreements

23.24 Subject to reverse dollar repurchase agreements

23.25 Pledged as collateral

23.26 Placed under option agreements

23.27 Letter stock or securities restricted as to sale

23.28 On deposit with state or other regulatory body

23.29 Other
- \$.....0

\$.....0

\$.....0

\$.....0

\$.....0

\$.....0

\$.....0

\$.....1,097,147

\$.....0

23.3 For category (23.27) provide the following:

1	2	3
Nature of Restriction	Description	Amount
N/A		

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB?
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.
- Yes [ ]

No [ X ]

Yes [ ]

No [ ]

N/A [ X ]

- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- Yes [ ]

No [ X ]

\$.....0

26. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
- Yes [ X ]

No [ ]

26.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian's Address
State Street Bank and Trust Company	225 Franklin St. Boston MA 02110

26.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
All agreements comply.		

- 26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year?
- Yes [ ]

No [ X ]

26.04 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
N/A			

26.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository Number(s)	Name	Address
N/A		

- 27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])?
- Yes [ ]

No [ X ]

27.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adj.Carrying Value
	N/A	
27.2999. TOTAL		0

27.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from the above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	Date of Valuation
N/A			

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds.....	.....3,612,440	.....3,702,261	.....89,821
28.2 Preferred stocks.....			.....0
28.3 Totals.....	.....3,612,440	.....3,702,261	.....89,821

- 28.4 Describe the sources or methods utilized in determining the fair values:
- Fair values of long term bonds and preferred stocks are determined based on quoted market prices when available, fair values using valuation methodologies based on available and observable market information or by using matrix pricing. If quoted market prices are not available, we determine fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. Short term investments are carried at amortized cost which approximates fair value. The carrying amount of cash equivalents approximates fair value.

- 29.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- 29.2 If yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- Yes [ X ]

No [ ]

Yes [ X ]

No [ ]

- 29.3 If no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.
- N/A

- 30.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
- Yes [ X ]

No [ ]

- 30.2 If no, list exceptions:
- N/A

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**OTHER**

31.1

Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$.....0

31.2

List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1	2
Name	Amount Paid
N/A	

32.1

Amount of payments for legal expenses, if any?

\$.....132

32.2

List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1	2
Name	Amount Paid
N/A	

33.1

Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$.....0

33.2

List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1	2
Name	Amount Paid
N/A	

Statement as of December 31, 2009 of the **Aetna Health Inc. (a Michigan corporation)**  
**GENERAL INTERROGATORIES (continued)**

**PART 2 - HEALTH INTERROGATORIES**

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [ ☐ ]

No [ ☒ X ]

1.2

If yes, indicate premium earned on U.S. business only

\$.....0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$.....0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$.....0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$.....0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$.....0

1.62

Total incurred claims

\$.....0

1.63

Number of covered lives

.....0

All years prior to most current three years:

1.64

Total premium earned

\$.....0

1.65

Total incurred claims

\$.....0

1.66

Number of covered lives

.....0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$.....0

1.72

Total incurred claims

\$.....0

1.73

Number of covered lives

.....0

All years prior to most current three years:

1.74

Total premium earned

\$.....0

1.75

Total incurred claims

\$.....0

1.76

Number of covered lives

.....0

2.

Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	.....(5,881)	.....(19,898)
2.2 Premium Denominator.....	.....(5,881)	.....(19,898)
2.3 Premium Ratio (2.1/2.2).....	.....100.0	.....100.0
2.4 Reserve Numerator.....	.....2,607	.....8,563
2.5 Reserve Denominator.....	.....2,607	.....8,563
2.6 Reserve Ratio (2.4/2.5).....	.....100.0	.....100.0

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, and if the earnings of the reporting entity permits?

Yes [ ☐ ]

No [ ☒ X ]

3.2

If yes, give particulars:

N/A

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [ ☐ ]

No [ ☒ X ]

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [ ☐ ]

No [ ☒ X ]

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [ ☐ ]

No [ ☒ X ]

5.2

If no, explain:

The Company does not have stop loss reinsurance.

5.3

Maximum retained risk (see instructions):

5.31

Comprehensive medical

\$.....0

5.32

Medical only

\$.....0

5.33

Medicare supplement

\$.....0

5.34

Dental and vision

\$.....0

5.35

Other limited benefit plan

\$.....0

5.36

Other

\$.....0

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Provider contracts contain hold harmless and continuity of coverage provisions.

In addition, the HMO maintains an insolvency protection agreement with an affiliate of the HMO.

7.1

Does the reporting entity set up its claim liability for provider services on a service date base?

Yes [ ☒ X ]

No [ ☐ ]

7.2

If no, give details:

N/A

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

.....3,162

8.2

Number of providers at end of reporting year

.....1

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [ ☐ ]

No [ ☒ X ]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

\$.....0

9.22

Business with rate guarantees over 36 months

\$.....0

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus arrangements in its provider contracts?

Yes [ ☐ ]

No [ ☒ X ]

10.2

If yes:

10.21

Maximum amount payable bonuses

\$.....0

10.22

Amount actually paid for year bonuses

\$.....0

10.23

Maximum amount payable withholds

\$.....0

10.24

Amount actually paid for year withholds

\$.....0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

- 11.1. Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or

11.14 A Mixed Model (combination of above)?
- Yes [ ]

No [X]
- Yes [X]

No [ ]
- Yes [ ]

No [X]
- 11.2. Is the reporting entity subject to Minimum Net Worth Requirements?
- Yes [X]

No [ ]
- 11.3. If yes, show the name of the state requiring such net worth.
- Michigan
- 11.4. If yes, show the amount required.
- \$.....1,500,000
- 11.5. Is this amount included as part of a contingency reserve in stockholder's equity?
- Yes [ ]

No [X]
- 11.6. If the amount is calculated, show the calculation:
- See Notes to Financial Statement - Note 20, Other Items, C., Other Disclosures.

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
Macomb, St. Clair, Wayne
Partial: Monroe, Oakland

- 13.1. Do you act as a custodian for health savings account?
- Yes [ ]

No [X]
- 13.2. If yes, please provide the amount of custodial funds held as of the reporting date.
- \$.....0
- 13.3. Do you act as an administrator for health savings accounts?
- Yes [ ]

No [X]
- 13.4. If yes, please provide the balance of the funds administered as of the reporting date.
- \$.....0

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

FIVE-YEAR HISTORICAL DATA

	1 2009	2 2008	3 2007	4 2006	5 2005
<b>Balance Sheet Items (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 26).....	3,713,540	3,850,848	6,416,114	7,761,773	6,314,213
2. Total liabilities (Page 3, Line 22).....	5,963	189,048	1,441,892	2,955,384	1,897,769
3. Statutory surplus.....	1,500,000	1,500,000	1,500,000	3,000,000	3,000,000
4. Total capital and surplus (Page 3, Line 31).....	3,707,577	3,661,800	4,974,222	4,806,389	4,416,444
<b>Income Statement Items (Page 4)</b>					
5. Total revenues (Line 8).....	(5,881)	(19,898)	3,521,360	6,135,417	7,844,661
6. Total medical and hospital expenses (Line 18).....	(28,073)	(83,770)	3,414,970	4,722,352	6,787,475
7. Claims adjustment expenses (Line 20).....	0	0	71,714	107,985	156,976
8. Total administrative expenses (Line 21).....	11,777	56,239	621,417	908,579	960,120
9. Net underwriting gain (loss) (Line 24).....	10,415	37,673	(329,872)	268,395	160,605
10. Net investment gain (loss) (Line 27).....	56,339	230,198	563,532	334,376	233,535
11. Total other income (Lines 28 plus 29).....	0	0	0	0	0
12. Net income or (loss) (Line 32).....	39,056	263,194	249,039	340,325	320,070
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11).....	33,509	(124,761)	(318,736)	260,774	(10,242)
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital.....	3,707,577	3,661,800	4,974,222	4,806,389	4,416,444
15. Authorized control level risk-based capital.....	8,212	14,756	505,975	500,800	501,061
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7).....	0	0	768	1,710	2,313
17. Total member months (Column 6, Line 7).....	0	3	12,694	22,136	31,143
<b>Operating Percentage (Page 4)</b> <b>(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100 .0</b>					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5).....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19).....	477.4	421.0	97.0	77.0	86.5
20. Cost containment expenses.....	0.0	0.0	0.7	0.6	0.7
21. Other claims adjustment expenses.....	0.0	0.0	1.3	1.2	1.3
22. Total underwriting deductions (Line 23).....	277.1	289.3	109.4	95.6	98.0
23. Total underwriting gain (loss) (Line 24).....	(177.1)	(189.3)	(9.4)	4.4	2.0
<b>Unpaid Claims Analysis (U&amp;I Exhibit, Part 2B)</b>					
24. Total claims incurred for prior years (Line 13 Col. 5).....	(19,510)	237,607	378,192	563,521	1,150,292
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	8,563	321,377	531,742	742,944	1,093,096
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....	0	0	0	0	0
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1).....	0	0	0	0	0
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1).....	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....	0	0	0	0	0
30. Affiliated mortgage loans on real estate.....	0	0	0	0	0
31. All other affiliated.....	0	0	0	0	0
32. Total of above Lines 26 to 31.....	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

If no, please explain:

Yes[ ] No[ ]

N/A

Statement as of December 31, 2009 of the Aetna Health Inc. (a Michigan corporation)

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

			1	Direct Business Only							
			2	3	4	5	6	7	8	9	
State, Etc.			Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama.....AL	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2.	Alaska.....AK	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
3.	Arizona.....AZ	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
4.	Arkansas.....AR	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5.	California.....CA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
6.	Colorado.....CO	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
7.	Connecticut.....CT	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
8.	Delaware.....DE	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
9.	District of Columbia.....DC	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
10.	Florida.....FL	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
11.	Georgia.....GA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
12.	Hawaii.....HI	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
13.	Idaho.....ID	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
14.	Illinois.....IL	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
15.	Indiana.....IN	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
16.	Iowa.....IA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
17.	Kansas.....KS	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
18.	Kentucky.....KY	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
19.	Louisiana.....LA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
20.	Maine.....ME	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
21.	Maryland.....MD	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
22.	Massachusetts.....MA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
23.	Michigan.....MI	...L.....	(5,881)	.....0	.....0	.....0	.....0	.....0	.....0	(5,881)	.....0
24.	Minnesota.....MN	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
25.	Mississippi.....MS	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
26.	Missouri.....MO	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
27.	Montana.....MT	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
28.	Nebraska.....NE	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
29.	Nevada.....NV	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
30.	New Hampshire.....NH	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
31.	New Jersey.....NJ	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
32.	New Mexico.....NM	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
33.	New York.....NY	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
34.	North Carolina.....NC	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
35.	North Dakota.....ND	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
36.	Ohio.....OH	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
37.	Oklahoma.....OK	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
38.	Oregon.....OR	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
39.	Pennsylvania.....PA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
40.	Rhode Island.....RI	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
41.	South Carolina.....SC	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
42.	South Dakota.....SD	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
43.	Tennessee.....TN	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
44.	Texas.....TX	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
45.	Utah.....UT	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
46.	Vermont.....VT	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
47.	Virginia.....VA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
48.	Washington.....WA	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
49.	West Virginia.....WV	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
50.	Wisconsin.....WI	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
51.	Wyoming.....WY	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
52.	American Samoa.....AS	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
53.	Guam.....GU	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
54.	Puerto Rico.....PR	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
55.	U.S. Virgin Islands.....VI	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
56.	Northern Mariana Islands.....MP	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
57.	Canada.....CN	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
58.	Aggregate Other alien.....OT	...XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
59.	Subtotal.....	...XXX.....	(5,881)	.....0	.....0	.....0	.....0	.....0	.....0	(5,881)	.....0
60.	Reporting entity contributions for Employee Benefit Plans.....	...XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
61.	Total (Direct Business).....	(a).....1	(5,881)	.....0	.....0	.....0	.....0	.....0	.....0	(5,881)	.....0

DETAILS OF WRITE-INS

5801.	.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5802.	.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5803.	.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5898.	Summary of remaining write-ins for line 58.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5899.	Total (Lines 5801 thru 5803 + 5898) (Line 58 above).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

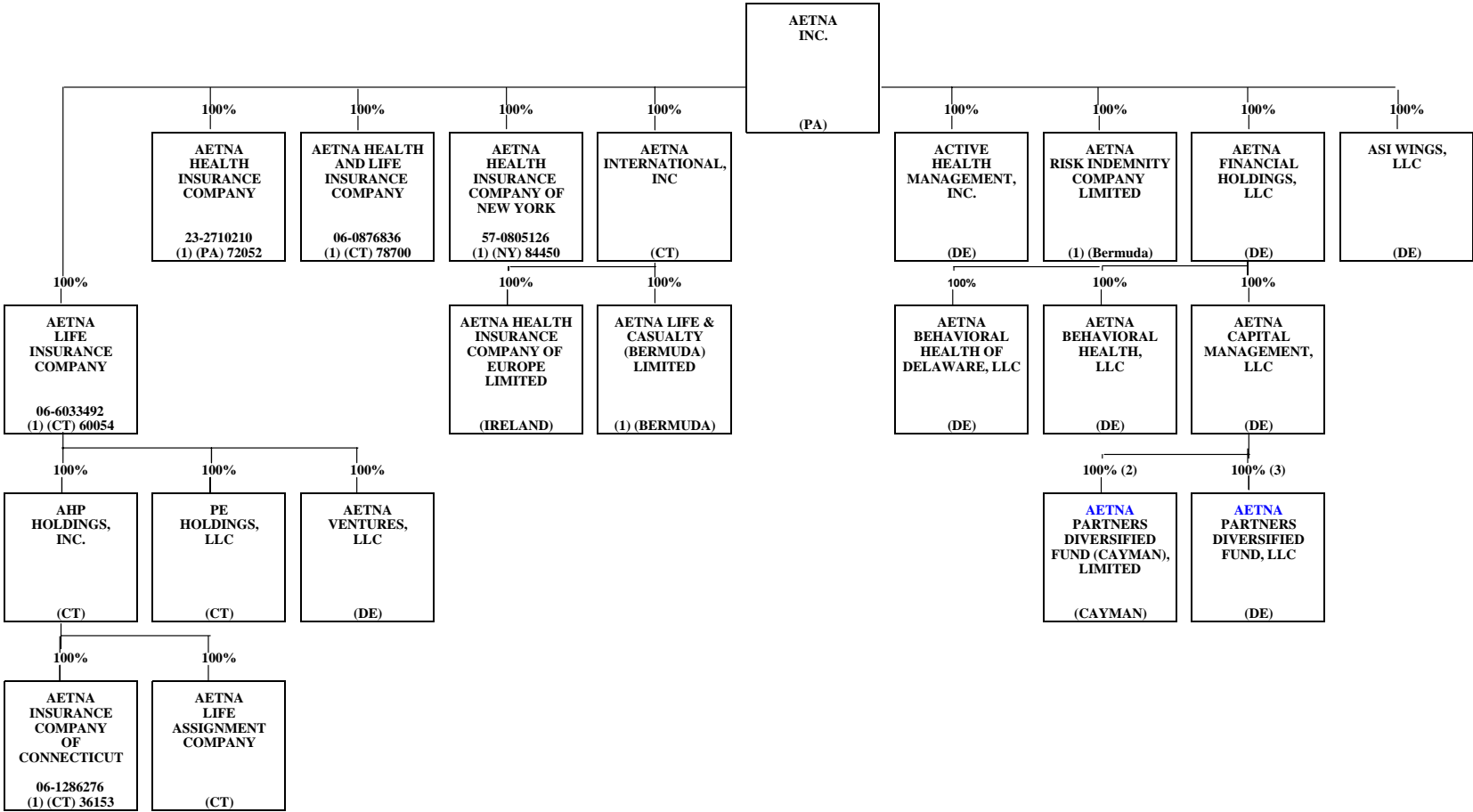
Explanation of basis of allocation by states, premiums by state, etc.

(a) Insert the number of L responses except for Canada and Other Alien.



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART



Reconciliation from 1/1/09 to 12/31/09:

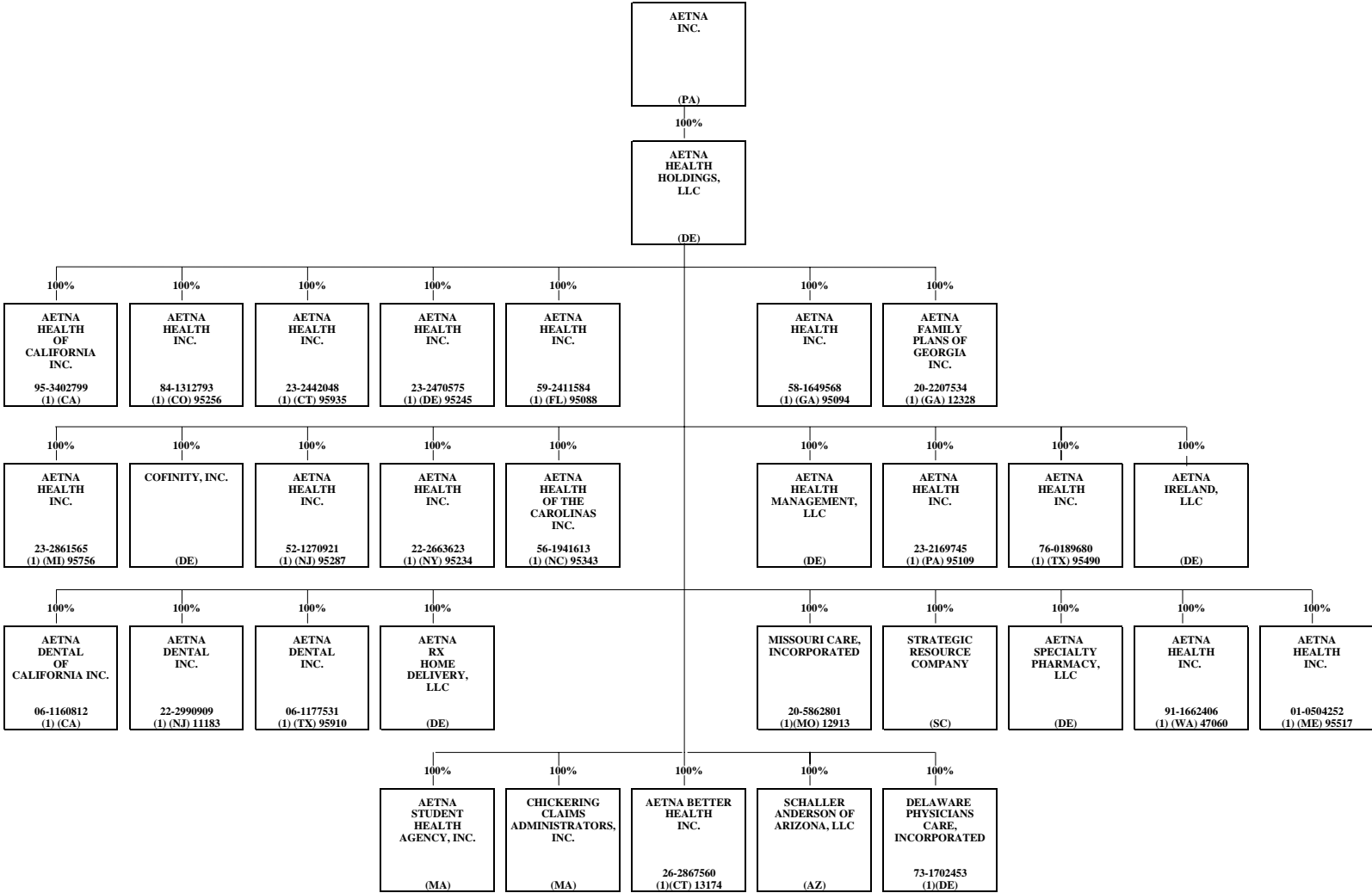
- (a) Add - ASI Wings, LLC (DE)
- (b) The name of Aelan, Inc. changed to Aetna International, Inc.
- (c) Add - Aetna Health Insurance Company of Europe Limited (Ireland)
- (d) Remove - Canal Place, LLC (DE)

- (1) Insurers/HMO's
- (2) Aetna Life Insurance Company owns the Class C participating shares of Aetna Partners Diversified Fund (Cayman), Limited.
- (3) Aetna Life Insurance Company and Aetna Health and Life Insurance Company own substantially all of the non-managing member interests of Aetna Partners Diversified Fund, LLC.

Percentages are rounded to the nearest whole percent and are based on ownership of voting rights.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART



Reconciliation from 1/1/09 to 12/31/09

- (a) Remove - Aetna Health Inc. (AZ)
- (b) Remove - Aetna Health Inc. (IL)
- (c) Remove - Aetna Health Inc. (OK)
- (d) Remove - Aetna Health Inc. (TN)
- (e) Remove - Aetna Health, Inc. (MO)
- (f) Remove - Aetna Health Inc. (MD)
- (g) Remove - Delaware Physicians Care - Medicare Incorporated (DE)
- (h) Remove - Schaller Anderson of Missouri, LLC (MO)
- (i) Remove - Schaller Anderson of Arizona, Inc. (AZ)
- (j) The name of NYLCare Health Plans, Inc. changed to Aetna Ireland, LLC
- (k) Aetna Health Inc. (ME) and Aetna Health Inc. (WA) are 100% owned by Aetna Health Holdings, LLC
- (l) The name of Chickering Benefit Planning Insurance Agency, Inc. changed to Aetna Student Health Agency, Inc.

(1) Insurers/HMO's

Percentages are rounded to the nearest whole percent and are based on ownership of voting right

**2009 ALPHABETICAL INDEX**  
**HEALTH ANNUAL STATEMENT BLANK**

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